

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7673

BILL NUMBER: HB 1692

DATE PREPARED: Feb 28, 2001

BILL AMENDED: Feb 26, 2001

SUBJECT: Postsecondary Proprietary Education Grants.

FISCAL ANALYST: Chuck Mayfield

PHONE NUMBER: 232-4825

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides that a state higher education award received by a student who attends a postsecondary proprietary education institution is limited to 110% of the maximum amount that would be received by the student if the student were enrolled in Ivy Tech State College.

Effective Date: July 1, 2001.

Explanation of State Expenditures: (Revised) In 1999-2000, 7,327 students attending 23 campuses of the eight postsecondary proprietary education institutions filed the Free Application for Federal Student Aid. The Student Assistance Commission (SASCI) has granted about 1,560 students of the 3,611 eligible students a Higher Education Award. Many of the 7,327 were ineligible because the tuition level subsidized is at the Ivy Tech State College rate of about \$1,986. The estimated average award is about \$1,405, so the estimated cost of the current program is about \$2.2 M.

SASCI estimates the *maximum* impact to be an increase in expenditures of \$425,000 for FY 2002 and \$1.1 M for FY 2003.

The bill does not provide additional funding. If additional funding is not provided then the awards of all recipients of the award may be proportionally reduced.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Student Assistance Commission.

Local Agencies Affected:

Information Sources: Nick Vesper, Student Assistance Commission , 317-233-5094.